

DISBURSEMENT GUIDANCE FOR PURCHASING CARD HOLDERS

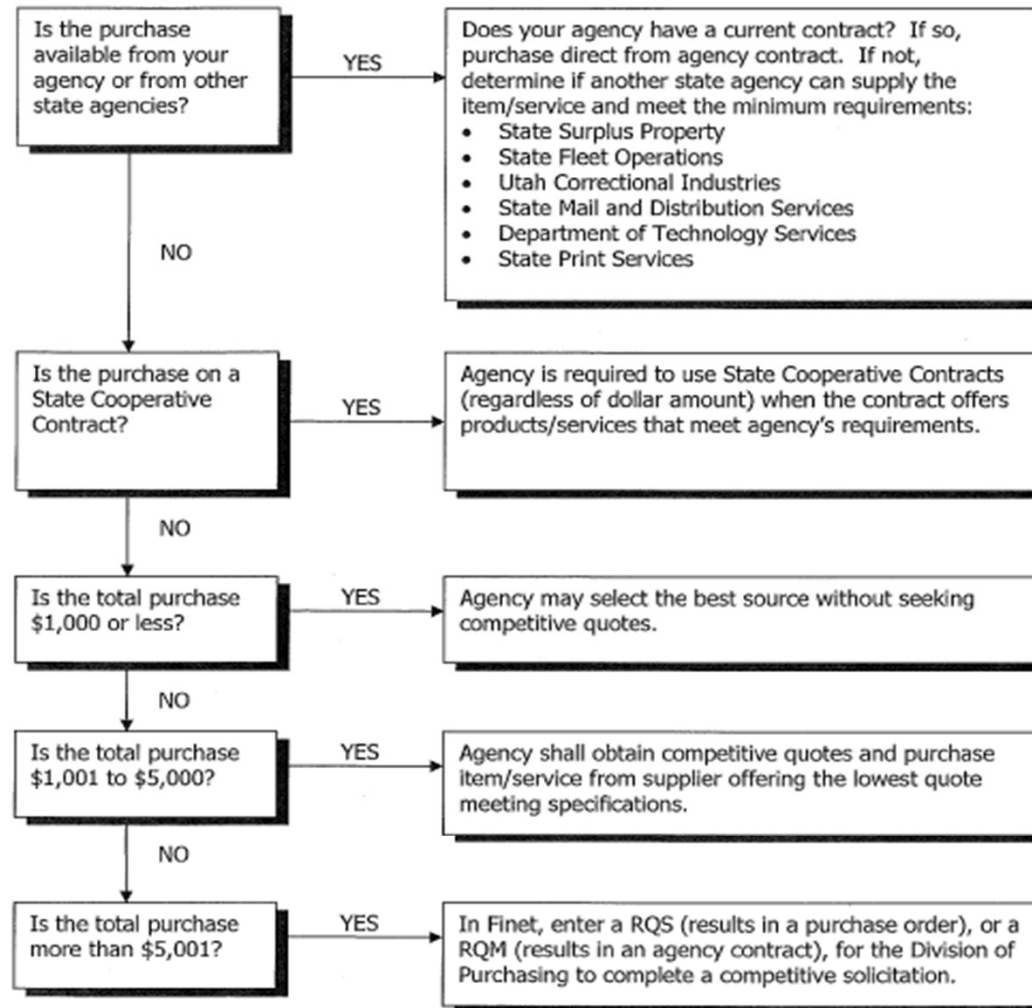
AS OF MAY 11, 2012

YOUR ROLE



- Thank you for your hard work! You play an important role to ensure the integrity of our system
- As a Purchasing Card holder, you are responsible for protecting your card and understanding proper procurement. You should know and follow State Policy as well as department expectations for disbursements. If you have any questions, contact *Trisha Glenn* (801) 538-4105
- The purpose of this guidance is to provide a review of the disbursement process. All Purchasing Card holders are expected to review this guidance and follow the certification instructions at the end of the packet

DIVISION OF PURCHASING FLOW CHART



Sole Source Procurements greater than \$1,000 must be pre-approved by the Division of Purchasing using the Sole Source Request form located at:
<http://purchasing.utah.gov/contract/documents/solesourcerequestform.doc>

This flow chart is for information purposes only. Refer to Purchasing Website at www.purchasing.utah.gov for more detailed information or telephone the Division at 801-538-3026.

PROPER
PROCEDURES

PRIORITY GIVEN TO CONTRACTS

- State procurement entities cannot use the small purchase process if a state contract is available
- State Contracts:
- To initiate a contract for direct client services or for questions about Department of Human Services (DHS) contracts in general, see your division contract analyst

<http://generalservices.utah.gov/statewidecontracts/contractsearch.aspx>



DAS Home

Purchasing Home

Service Plan

ePurchasing

State Mail

Print Services

Bid Notification
System

Guide to Doing
Business with Utah

General Services
Invoice Search

Bid Tabulations and
Awards

State Purchasing P-
Card Info

Organizational Chart

Employee Intranet

WSCA Standard PC
Configurations

Media Center

Surplus Program

Energy Star Web Site

State Cooperative Contract Search

Search the State Contracts database for contracts

Enter search criteria below:

Enter one or more criteria in the fields below.
Searches are case-insensitive. All fields are optional.

View All Contracts

☐ Energy Star

☐ Green / Recycled Products



Keyword Search:

Search titles for full or partial keywords (example:
comp, computer, computers for computers).

Contract Number:

Enter full or partial numbers (example:
PD013, 013, PD).



Vendor Name:

Enter full or partial vendor name.

Contract Expiration Date:

Expires on or after this date:

Expires on or before this date:

Purchasing Agent:

Select an agent from list.

☒ Active Contracts Only

*Warning!!! Only active contracts are
available for agency use. Inactive
contracts may be expired or cancelled.*

Submit

Reset

SEARCHING STATE CONTRACTS



Use the keyword
search and/or the
vendor name to find
the items you need

IF THE ITEM IS NOT ON CONTRACT...

Disbursements must follow State and Department policy. Ensure all disbursements are reasonable and an appropriate use of public funds.

- Administrative Rule R33-3-3 requires for procurement values:
 - ▣ Under \$1,000 = No Quotes, No Bids
 - ▣ From \$1,001 to \$5,000 = Min of 2 Quotes (preferably 3)
 - ▣ Over \$5,000 = Conducted by State Purchasing



PURCHASING CARD LOG

- Serves as a record of transaction information
- Each charge must be documented by recording:
 - ▣ Date of the transaction
 - ▣ Name of the supplier
 - ▣ What was purchased
 - ▣ Purpose of the purchase
 - ▣ Cost involved
- Do NOT pay sales tax
 - ▣ See back of your card for tax exempt number
- Each transaction must be supported with an itemized receipt
- Reconcile the monthly bank statement with the log and supporting documentation
- Log must be signed each month by the cardholder and supervisor



FINET ATTACHMENTS

Remember:

NO
Confidential
Information on
the attachments



- We recommend attaching the supporting documentation (including the purchasing card log, bank statement, itemized receipts, etc.) in FINET
 - ▣ Easier for auditors
 - ▣ Easier for YOU!
- Be sure **no confidential information** is on the attachments
 - ▣ Examples: Client Names, Social Security numbers, etc.



LIMITATIONS

Multiple Purchases

- Purchasing Cards have monthly limits and individual transaction limits
 - ▣ All limits are approved by your Division Budget Officer
- If you have to pay a vendor multiple times on the same date, please clearly document the reason why

Cumulative Amounts

- Please remember that multiple transactions for the same vendor should be grouped and treated as a whole purchase
- Use this total amount when referring to the Purchasing Flow Chart



LIMITATIONS

- If, on occasion, a purchase exceeds your per transaction limit and you must run your card twice to accommodate the purchase, document the reason why the card was run twice
 - ▣ In addition to the monthly log signature, you must also obtain your supervisor's written signature on the documentation as evidence of approval
 - ▣ Include this documentation with your monthly purchasing log
- If you frequently need to exceed your individual limit, discuss with your supervisor about possibly increasing your per transaction limit
 - ▣ Any adjustments to your limits will need to be routed through your Division Budget Officer for approval

ONGOING PURCHASES

*Purchasing agents by commodity code can be found at:

<http://purchasing.utah.gov/directories/documents/agentlist.pdf>

- If a purchase is ongoing, continuous, or regularly scheduled; coordinate with State Purchasing and/or the Bureau of Contract Management to establish a contract as applicable
- Reminder: look at regular use and cumulative amounts to determine if contracts are necessary



ARTIFICIALLY SPLITTING PURCHASES AND INVOICES



Do **NOT** split
purchases, invoices,
or payments to
avoid State or
Department
requirements



ARTIFICIALLY SPLITTING PURCHASES AND INVOICES

2012 General Session, S.B. 153

Procurement Amendments

Effective May 1, 2013

- “Splitting” includes:
 - ▣ Making two or more separate purchases
 - ▣ Dividing an invoice or purchase order into two or more invoices or purchase orders
 - ▣ Making smaller purchases over a period of time



PENALTIES FOR ARTIFICIALLY SPLITTING A PURCHASE

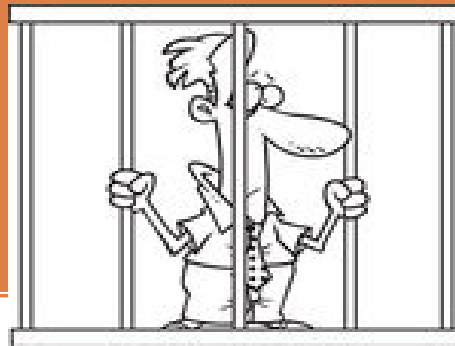
2012 General Session, S.B. 153

Procurement Amendments

Effective May 1, 2013

If the total value of the divided procurement is:

- ❑ Over \$1,000,000 = Second Degree Felony
- ❑ From \$250,000 to \$1,000,000 = Third Degree Felony
- ❑ From \$100,000 to \$250,000 = Class A Misdemeanor
- ❑ Less than \$100,000 = Class B Misdemeanor



NEED SOME HELP?

Division of Finance

Accounting Policies & Procedures

<http://apps.finance.utah.gov/nxt/gateway.dll?f=templates&fn=default.htm&vid=nxtpub:app1>

Office of Fiscal Operations

Purchasing Card Program Procedures

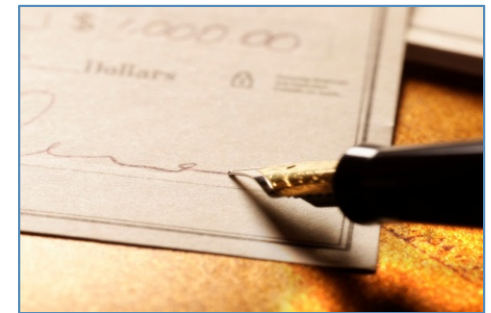
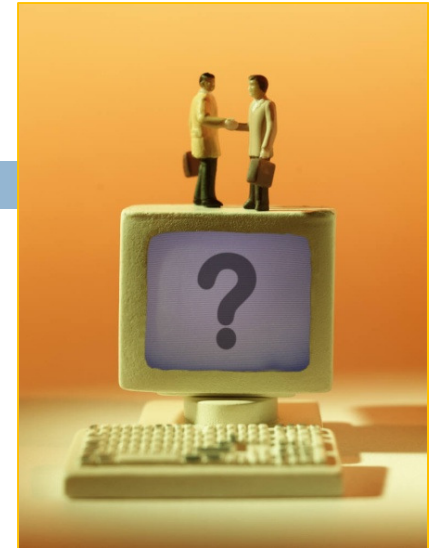
http://www.hsofo.utah.gov/files/fiscal_procedures/03-007.00%20Purchasing%20Card%20Procedures.pdf

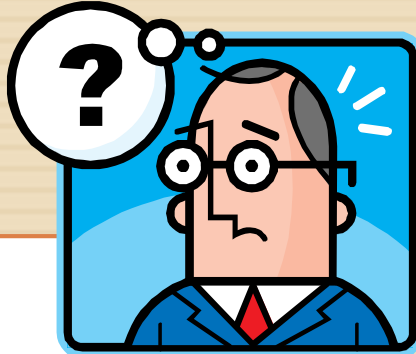
Purchasing Card Information

<http://finance.utah.gov/procurementcard/index.html>

Department Purchasing Help Desk

Trisha Glenn
(801) 538-4105





Any
QUESTIONS??
Call our Expert!

TRISHA GLENN

Financial Manager I

tglennt@utah.gov

(801) 538-4105



CERTIFICATION INSTRUCTIONS

1. Review the slides
2. Send an email to **Evan Lovett** (elovett@utah.gov) with *Purchasing Card Certification* in the subject line
3. Carbon copy your supervisor confirming you reviewed and understand this disbursement guidance

